



Memo

To: City Council Members

From: Jason Thompson, Audit Committee Chair

CC: Sterling Cheatham, City Manager

Debra Mack, Finance Director

Gene Meadows, Collections Agent / Privilege License

Allison Collins, City Auditor

Date: October 16, 2008

Re: Adoption of Red Flag Rules Auditor's Report in Reference to Red Flag Rules Identity Theft Act

The Audit Committee has accepted the adoption of the Red Flag Rules Identity Theft Auditor's Report and corresponding recommendations. The auditor's report is in direct response to the Red Flag Rules Identity Theft Act which requires creditors (and municipalities) to develop, adopt and implement a written Identity Theft Prevention Program. The Auditor's Report addresses the reviews and observations performed by the Audit Division, the issues identified from those reviews, and recommends ways to strengthen internal controls (providing potential solutions) to mitigate the future risk for the City of Wilmington in the event identity theft does occur.